



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET SW SUITE 23T85  
ATLANTA, GEORGIA 30303-8931**

June 7, 2000

BWX Technologies  
ATTN: Mr. J. A. Conner, Vice  
President & General Manager  
Naval Nuclear Fuel Division  
P. O. Box 785  
Lynchburg, VA 24505-0785

**SUBJECT: NRC PERFORMANCE REVIEW OF LICENSED ACTIVITIES**

Dear Mr. Conner:

In June 2000, NRC managers and staff completed reviews of your program in conducting NRC licensed activities. The review evaluated your performance for the period March 27, 1999, through April 7, 2000. This letter provides you the results of our review, and these results will be used as a basis for establishing the NRC oversight program for your conduct of licensed activities during the next year.

Your performance was evaluated in the five major areas of safety operations, safeguards, radiological controls, facility support, and special topics. Our review determined that BWX Technologies continued to protect public health and safety, protect the environment, and assure control and security of licensed material. A summary of the results of the review, in the form of strengths, areas needing improvement, and challenges, is enclosed.

The review indicated that you continued to demonstrate a strong safety performance. We particularly note strong performance in improving safety through: (1) the increased use of engineered safety controls and features, (2) implementation of As Low As Reasonably Achievable measures in your radiation protection program, (3) your interface with offsite agencies in support of emergency preparedness, and (4) submission of timely and high quality licensing submittals. Also, your safeguards program, which was developed and implemented for the 50 metric ton down blending project, was proven effective and maintained safeguards.

Our review found a few areas needing improvement. In particular, clarity of actions required by operators in procedures and the design of safety features for certain operating systems and components appear to need improvement based on NRC inspections and events that occurred during the period.

The results of the review will be discussed with you at your facility in Lynchburg, Virginia, during a meeting open to the public on June 27, 2000. During that meeting, we expect you to discuss your view of your performance in the same major areas.

Based upon this review and on your demonstrated performance strengths, the NRC has decided to maintain the current level of inspection at your facility, which is the minimum level for a Category I fuel facility. We do plan some redistribution of inspection effort to focus on the areas needing improvement.

In accordance with Section 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made publically available.

Should you have any questions or comments, I would be pleased to discuss them with you.

Sincerely,

**/RA by Bruce S. Mallett Acting For/**

Luis A. Reyes  
Regional Administrator

Docket No. 70-27  
License No. SNM-42

Enclosure: Licensee Performance Review  
- Summary Outline

cc w/encl:  
A. F. Olsen  
Licensing Officer  
BWXT Technologies  
P. O. Box 785  
Lynchburg, VA 24505-0785

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**LICENSEE PERFORMANCE REVIEW FOR BWX TECHNOLOGIES (BWXT)  
PERFORMANCE PERIOD: MARCH 29, 1999 - APRIL 7, 2000  
SUMMARY OUTLINE**

The following is a summary of the program strengths, improvements, and challenges for the performance of BWXT, in the conduct of NRC licensed activities.

**A. SAFETY OPERATIONS (Comprised of Chemical Safety, Criticality Safety, Plant Operations, Fire Safety, and Management Controls)**

**Safety Operations Program Strengths**

- The increased use of engineered safety controls and safety features

**Safety Operations Needing Improvement**

- The clarity of actions required by operators in procedures
- The design of safety features for certain operating systems and components

**Projected Challenges to Performance in Safety Operations**

- The implementation of safety related controls from the Integrated Safety Analyses, including communicating these controls to workers

**B. SAFEGUARDS (Comprised of Material Control and Accounting and Physical Protection)**

**Safeguards Program Strengths**

- None

**Safeguards Needing Improvement**

- None

**Projected Challenges to Performance in Safeguards**

- None

Enclosure

**C. RADIOLOGICAL CONTROL (Comprised of Radiation Protection, Environmental Protection, Waste Management, and Transportation)**

**Radiological Control Program Strengths**

- The As Low as Reasonably Achievable (ALARA) Program

**Radiological Controls Needing Improvement**

- None

**Projected Challenges to Performance in Radiological Control**

- The shipment of uranium-bearing waste containing beryllium

**D. FACILITY SUPPORT (Comprised of Maintenance and Surveillance, Training, and Emergency Preparedness)**

**Facility Support Program Strengths**

- The interface with offsite agencies

**Facility Support Areas Needing Improvement**

- None

**Projected Challenges to Performance in Facility Support**

- None

**E. SPECIAL TOPICS (Comprised of Safety Licensing, the Fundamental Nuclear Material Control (FNMC) Plan, and the Security Plan)**

**Special Topics Program Strengths**

- Excellence in licensing submittals to NRC

**Special Topics Needing Improvement**

- None

**Projected Challenges to Performance in Special Topics**

- Design, licensing, and operation of a new SNM storage facility
- Completing the Integrated Safety Analysis